

realized through the use of the C2+ technology without increasing the potential for fraud by allowing authorized cellular customers to use emulation phones under the following limited conditions:

First, any customer requesting modification or emulation of an ESN must execute a written authorization agreement and present evidence that: (a) he is an authorized customer of a particular cellular system; and (b) the cellular phone whose ESN is being emulated is owned by him and is registered with the cellular carrier as his primary cellular phone. This information should be made available to the related carrier or appropriate federal agency by the emulation provider at reasonable intervals for verification purposes.

Second, the ESN alteration (emulation) must be done by an encrypted method which is ineffective without encrypted authorization codes issued by a responsible party holding a valid FCC Radio-Telephone License of Second Class or above. No one should be authorized to produce codes other than a responsible party who maintains accurate records of all codes issued.

Third, all decryption devices used in the emulation process must be designed so that attempts to use the device without the proper unique encrypted authorization "keys" will render the phone inoperable.

Fourth, the subscriber must notify his billing carrier of this emulation prior to using the phone on the carrier's system. The carrier should have the right to terminate

service to any customer who has not registered with the carrier prior to using an emulation phone.

Fifth, the importation, possession, or use of any ESN modification device that does not meet the above encryption criteria should be a felony under Title 18 of the United States Code.

Sixth, carriers should be specifically prohibited from taking any discriminatory action against their customers who elect to use emulation phones provided that the customers comply with these requirements.

V. The Adverse Findings Made Against C2+ Should Be Vacated.

Finally, the Commission should vacate its finding that "the use of the C2+ altered cellular telephones constitutes a violation of the Act and our rules." Report and Order at ¶62. The Commission gave no notice that in addition to promulgating rules which would apply prospectively, it was going to use this proceeding to adjudicate whether particular conduct (i.e. use of a C2+ extension phone) violated its existing rules. In addition to this fundamental procedural flaw, there is no substantial record support for the Commission's finding.

In its Notice of Proposed Rulemaking, 7 FCC Rcd. 3658 (1992) at ¶1 ("NOPR"), the Commission stated that the purpose of this proceeding was "to revise Part 22 of our Rules...to make our Rules easier to understand, to eliminate outdated rules and unnecessary information collection require-

ments, to streamline licensing procedures and to allow licensees greater flexibility in providing service to the public." NOPR at ¶1. Nowhere did the Commission provide notice to C2+ or any other interested party (i.e. consumers using C2+ extension phones) that this proceeding could result in a finding that their conduct constituted a violation of existing Commission rules. Because C2+ and other parties were deprived of such notice and therefore had no opportunity to present evidence regarding these issues, the Commission's findings against C2+ in Paragraph 62 of the Report and Order must be vacated for failure to comply with the Administrative Procedure Act. See Nat'l Black Media Coalition v. FCC, 791 F.2d 1016, 1022 (D.C. Cir. 1986) (an agency rulemaking must "fairly apprise interested persons of the subjects and issues" involved).

Moreover, there is no factual support in the record for the Commission's conclusion. The Commission determined that "the use of C2+ altered cellular telephones constitutes a violation of the Act and our rules" based on its conclusion that "cellular telephones with altered ESNs do not comply with the cellular system compatibility specification and thus may not be considered authorized equipment under the original type-acceptance." Report and Order at ¶62. However, the Commission never explained how C2+'s ESN emulation works, how it allegedly violates the cellular compatibility standard, or

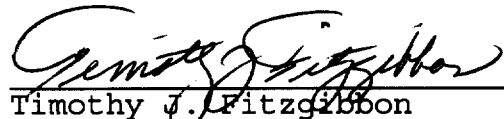
how it would invalidate the original type-acceptance.¹¹ There is absolutely no information in the record on any of these issues, largely because the NOPR gave no notice that the issues were included within the scope of this proceeding.

Conclusion

There is no record evidence that a bona fide cellular customer using the C2+ technology to make and pay for calls from a second cellular phone which emulates the ESN of his primary phone in any way engages in or facilitates cellular fraud or otherwise violates the Commission's rules. Consequently, it is arbitrary and capricious for the Commission to prohibit the C2+ service when such prohibition contributes nothing to fraud prevention, forces consumers to pay unnecessary monthly recurring charges and further insulates the duopoly cellular carriers from competition.

December 19, 1994

Respectfully submitted,



Timothy J. Fitzgerald
Thomas F. Bardo
Carter, Ledyard & Milburn
1350 I Street, N.W., Suite 870
Washington, D.C. 20005

Attorneys for
C-Two-Plus Technology, Inc.

¹¹ Moreover, the Commission found that use of C2+ phones violates "the Act and our rules" in all instances, without any determination that a particular phone was: (a) being operated without the carrier's permission (see Report and Order at ¶60); or (b) using the same ESN as another phone (see Graydon Aff. at ¶1).

Exhibit 1

AFFIDAVIT OF STUART F. GRAYDON

Commonwealth of Alabama)
County of Montgomery) ss.

I, Stuart F. Graydon, being duly sworn, do hereby
depose and state as follows:

1. I am a Director and the former President of C-Two-Plus Technology, Inc. ("C2+"). I was actively involved in the development of, and I am fully familiar with, the encryption technology and decryption device used by C2+ to enable a bona fide cellular customer to make and be billed for calls using a second phone which "emulates" the Electronic Serial Number ("ESN") of that customer's primary cellular phone. This enables the calls made from the second phone to be billed to the customer's primary cellular phone, without requiring payment of an additional monthly recurring service charge to the cellular carrier for the second phone. Although the vast majority of our customers use our service for this purpose, C2+ also uses its emulation technology to permit a bona fide cellular customer to replace a defective phone while retaining his original ESN.

2. C2+ experience and market studies have indicated a substantial demand for our services. Aside from the flexibility of making calls from a portable cellular phone in addition to their car-mounted phones, cellular subscribers have expressed interest in this service primarily for reasons

of personal security (i.e. to enable a spouse to carry and use a portable). Our estimates indicate that as many as 30 to 40 percent of cellular subscribers would use additional cellular phones if they did not have to pay additional monthly recurring service charges. Based on responses from our customers, the ability to make calls from a second phone significantly increases their cellular usage and the corresponding calling or "air time" charges from their carrier.

3. The technology employed by C2+ took over two years to design, test and implement. It does not physically alter the customer's cellular phone in any way. C2+ does not alter the ESN circuitry or the manufacturer's software in the phone. Rather, application of the C2+ technology causes the customer's second phone to emit information which emulates the ESN of the customer's primary phone, thereby identifying the customer as the authorized party to be billed for calls made from the second phone. C2+ accomplishes this by sending encoded instructions to the customer's phone, using codes which are stored in and encrypted by C2+'s mainframe computer and decoded by a decryption device (the "NAM Emulation Programming Device" or "NEPD") attached for that purpose to the customer's phone. The customer's cellular phone is no more susceptible to fraudulent use or ESN tampering after application of the C2+ technology than it was when it left the manufacturer's factory.

4. The NEPD is virtually useless without the encryption and decryption codes or "keys" provided by C2+. The odds of programming a phone with a working ESN using the NEPD without the C2+ "keys" are substantially greater than one in a trillion. The NEPD device is designed to cause a cellular phone to "lock-up" after several erroneous data entries, thereby rendering the phone inoperable long before a working ESN can be programmed at random by using the NEPD without the encryption/decryption "keys" provided by C2+.

5. For example, in September 1992, at the request of the Cellular Telecommunications Industry Association ("CTIA"), C2+ provided CTIA with a phone and one of its NEPD devices to demonstrate our technology and its security. CTIA apparently attempted to emulate ESNs using the NEPD device without the C2+ encryption/decryption "keys," and the phone locked up, rendering itself inoperable. We understand that the phone had to be restored to operating condition with the assistance of the manufacturer. Thereafter, using the device with encryption codes provided by C2+, CTIA was able to emulate the ESN of a "primary" phone. Apparently, CTIA later attempted again to emulate a working ESN using only the NEPD without the C2+ encryption keys. When the phone was returned to C2+, it was again "locked-up" in a manner consistent with the security measures used by C2+, indicating that unsuccessful attempts had been made to emulate the ESN without the

appropriate keys from C2+. In addition, when returned by CTIA, the NEPD device had been damaged and no longer worked.

6. C2+ repeatedly asked CTIA to confirm that it had tried without success to program a working ESN using the NEPD without C2+ supplied encryption keys. CTIA never responded to those requests. CTIA admitted that when used with the C2+ encryption keys, the emulation process was successfully completed, but refused to respond to questions about their unsuccessful efforts to emulate a working ESN using only the NEPD without the C2+ keys. See Exhibit A, hereto.

7. C2+ takes substantial steps to ensure against theft of our programming instructions. All instructions are encrypted at C2+ and must be decrypted by the dealer using our decryption device. The C2+ encryption/decryption keys are based on several different information sources, including the ESNs of the customer's "primary" and "secondary" phones. Consequently, the keys cannot be used with any phones other than those presented by the customer. Likewise, the keys will work only with the specific NEPD decryption device used in that transaction. They will not work with any other NEPD or any other decryption device. Thus, the encryption technology used by C2+ ensures against its use by unauthorized third parties.

8. C2+ performs emulation services only for legitimate cellular customers who seek our service so that they can have the flexibility of using a second phone to make cellular calls which will be billed to their primary cellular phone.

C2+ makes substantial efforts to ensure that its customers are bona fide cellular subscribers. Every customer must complete an authorization form, certifying that he is an authorized cellular customer and including his social security number, driver's license number, home address, and landline telephone number (i.e. not his cellular telephone or "MIN" number).

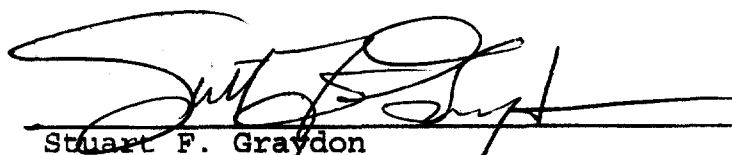
When working with a dealer, we require the dealer to inspect the customer's driver's license (or make other visual proof of identity) to ensure that the customer appearing before the dealer is the authorized cellular subscriber. In some cases, C2+ may require a copy of a recent bill from the carrier to ensure that the customer is a bona fide cellular subscriber.

9. In addition, C2+ emulates only the ESN portion of the customer's ESN/MIN/SID code. The remaining information regarding the mobile identification number ("MIN") and system identification number ("SID") must be programmed by the customer or the dealer. Without that information, the phone is useless.

10. Recognizing the substantial demand among consumers, certain cellular carriers have begun to offer a "2 phones/1 number" service. These carriers typically require a recurring monthly service fee of \$20 to \$40 for that service and permit the customer to roam with only his "primary" phone, unless the customer follows additional registration procedures and/or pays additional service fees. Like those carriers, C2+

advises its customers that under no circumstances can more than one of the phones be used at the same time. However, the C2+ service differs from the services offered by the carriers because: (a) there are no additional monthly recurring charges for the C2+ service; and (b) the C2+ service enables either phone to roam.

11. C2+ has been in business for over four years. We have never been informed by anyone, including any cellular carrier, that a customer for whom we performed our ESN emulation service was involved in fraudulent use of cellular services, nor have we ever been informed of anyone successfully using the NEPD to emulate a working ESN without obtaining the requisite encryption keys from C2+. To our knowledge, no one has ever used a C2+ NEPD device, C2+ encryption technology, or a C2+ "emulation" phone to commit cellular fraud.


Stuart F. Graydon

Subscribed and sworn to before me this
15th day of December, 1994.


Notary Public

My Commission expires

6/2/96

+

Exhibit A



September 25, 1992

Mr. Rick Graden
Chief Engineer
Cellular Two Plus
3174 Mobile Highway
Montgomery, AL 36108

Dear Mr. Graden:

Thank you for the opportunity to discuss with you today the C2+ technology. I appreciate your cooperation with sharing details of how the NAM Emulation Programming Device operates. I look forward to receiving the unit for purposes of reviewing with CTIA's technical staff.

As I stated, CTIA is very concerned with any device that may be used to commit fraud. Examination of the NEPD will provide us with a better explanation of how the system operates, and whether it poses a fraud issue.

We are also concerned with industry compliance with the Federal Communications Commission rules on ESN security. As I more closely examine the C2+ procedure for overwriting the existing ESN with the duplicate ESN, I will share my thoughts with you.

CTIA's examination of C2+ is solely for the purpose of furthering our understanding of how your product relates to individuals using it for fraud. Our review is not an endorsement of your product.

As our study progresses, I will contact you. If you have any questions, please do not hesitate to contact me at (202) 785-0081.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Eric Hill", written over a horizontal line.

Eric Hill
Director of Industry Security

(MICHELLE SOLOMON)

Cellular Telecommunications Industry Association

1133 21st St. N.W., Third Floor, Washington, D.C. 20036 • (202) 785-0081 • FAX (202) 785-0721



C-TWO-PLUS-TECHNOLOGY

5174 Mobile Highway - Montgomery, AL 36108 - Phone [205] 264-0264 - FAX 264-7190

ATTN: ERIC HILL

November 10, 1992

VIA FAX (202) 785-0721

Mr. Eric Hill, Director of Industry Security
C.T.I.A.
1133 21st St. N.W., Third Floor
Washington, D.D. 20036

Dear Eric:

We received your letter today and anticipate your return of our device.

At your request we shipped you a NEPD Device so that you could determine if it could be used by unauthorized persons to commit theft of services.

You stated in our conversations that you would send us a complete report of your testings but apparently they were left out of your letter. We know that before we gave you the specific codes to emulate your personal phone, you locked the phone up. We advised you that it would either have to be sent to us to unlock or the factory and you were able to unlock it through the assistance of the phone manufacturers engineers.

In regards to your testing, please give us the following:

1. Were you able to properly emulate the primary phone with the information (loading codes) that we gave you?
2. Were you able to load any other numbers into the NEPD and successfully emulate any other numbers?
3. Can an unauthorized person use our NEPD to emulate, clone, or alter an ESN without C2+ supplying the specific emulation codes?

May we please have your immediate FAX answer to the above.

Very truly yours,

C TWO PLUS TECHNOLOGY

Stuart F. Graydon

SFG/me

over

NO Answer
SENT COPY
11-B-72

C-TWO-PLUS-TECHNOLOGY

3174 Mobile Highway - Montgomery, AL 36108 - Phone [205] 264-0264 - FAX 264-7190

November 13, 1992

VIA FAX (202) 785-0721

Mr. Eric Hill, Director of Industry Security
C.T.I.A.
1133 21st St. N.W., Third Floor
Washington, D.D. 20036

COPY

Dear Eric:

On November 10 I faxed you a request for your test report on the NEPD Device which we sent at your request for the specific purpose of your determining how our product relates to individuals using it for fraud.

Further, you said that as you more closely examine the C2+ procedure that you would share your thoughts with us. To date we have not received any of this information which we considered to be the basis of our agreement to provide you the necessary equipment and information to make this evaluation.

We again request the following:

1. Were you able to properly emulate the primary phone with the information (loading codes) that we gave you?
2. Were you able to load any other numbers into the NEPD and successfully emulate any other numbers?
3. Can a person use our NEPD to emulate, clone, or alter an ESN without C2+ supplying the specific emulation codes?

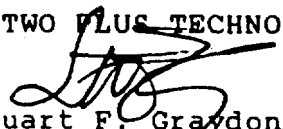
We should be advised timely that if you have knowledge of any individuals using our Device for fraud (theft of services), who they are, when it happened, and under what conditions the fraud occurred.

As I have stated to you several times, we are as concerned with Cellular fraud as much as you and the carriers are and we take extensive steps to prevent this when we could detect it or it was brought to our attention. Failure to cooperate with us in determining theft of services will ultimately hurt the ones who we are trying to protect at our expense but for their benefits.

May we please have your immediate FAX answer to the above.

Very truly yours,

C TWO PLUS TECHNOLOGY


Stuart F. Graydon

SFG/me

COPY



November 13, 1992

Mr. Stuart F. Graydon
President
C Two Plus Technology
3174 Mobile Highway
Montgomery, AL 36108

Dear Mr. Graydon:

I am responding to your recent request for additional information concerning examination of the C2+ NEPD.

Following your instructions, we were able to clone an NEC electronic serial number into the Audiovox phone, using the loading codes and procedures provided by C2+. We also were able to confirm that the factory set ESN associated with the Audiovox phone had been altered.

While we did not attempt to reverse engineer the NEPD and the computer chips that accompany the device, I am confident it can be done, just as C2+ was able to reverse engineer the firmware of the phones which you are now able to clone.

If you have any questions, please do not hesitate to contact me at (202) 785-0081.

Yours Sincerely,

Eric Hill
Director of Industry Security

cc: Michael Altschul, CTIA VP & General Counsel

COPY



C-TWO-PLUS-TECHNOLOGY

3174 Mobile Highway - Montgomery, AL 36108 - Phone [205] 264-0264 - FAX 264-7190

November 14, 1992

VIA FAX (202) 785-0721

Mr. Eric Hill, Director of Industry Security
C.T.I.A.
1133 21st St. N.W., Third Floor
Washington, D.D. 20036

Dear Mr. Hill:

Thank you for your Fax response to my two requests for the test results of our Device answering the first question we posed. May we please have the answer to our other questions also.

2. Were you able to load any other numbers into the NEPD and successfully emulate any other numbers?
3. Can a person use our NEPD to emulate, clone, or alter an ESN without C2+ supplying the specific emulation codes?

(4) We should be advised timely that if you have knowledge of ANY individuals using our Device for fraud (theft of services), who they are, when it happened, and under what conditions the fraud occurred.

You indicate that you could reverse engineer our Device and its computer chips and I agree that with the equipment and engineering staff and assistance from the manufacturers associated with CTIA you could do this. Our concern is that since your representation as to the purpose of us allowing you to test the Device is to further your understanding of how our product relates to individuals using it for fraud. This is a direct claim that there are individuals using it for fraud and we feel that we have a right to know, as requested in (4) above, if this is the real reason for your request to test the device.

Again, we are as concerned with fraud and want to stop it as you or the carriers are but we cannot assist you in those measures if you decline to specifically address our questions.

May we please have your immediate FAX answer to the above.

Very truly yours,

C TWO PLUS TECHNOLOGY

Stuart F. Graydon

SFG/me

C-TWO-PLUS-TECHNOLOGY

3174 Mobile Highway - Montgomery, AL 36106 - Phone [205] 264-0264 - FAX 264-7190

2:57 PM

November 19, 1992

VIA FAX (202) 785-0721

Mr. Eric Hill, Director of Industry Security
C.T.I.A.
1133 21st St. N.W., Third Floor
Washington, D.C. 20036

Dear Mr. Hill:

Reference our several requests for information concerning your tests of our NEPD-100 Device, we have not had the courtesy of a reply. May we please have this information promptly:

2. Were you able to load any other numbers into the NEPD and successfully emulate any other numbers?
3. Can a person use our NEPD to emulate, clone, or alter an ESN without C2+ supplying the specific emulation codes?
- (4) We should be advised timely that if you have knowledge of ANY individuals using our Device for fraud (theft of services), who they are, when it happened, and under what conditions the fraud occurred.

Again, we are as concerned with fraud and want to stop it as you or your carriers are but we are unable to assist you in those measures if you choose not to cooperate with us in answering our specific questions.

May we please have your immediate FAX answer to the above.

Very truly yours,

C TWO PLUS TECHNOLOGY


Stuart F. Graydon

SFG/me



February 17, 1993

Mr. Stuart F. Graydon
President
C Two Plus Technology
3174 Mobile Highway
Montgomery, AL 36108

Dear Mr. Graydon:

The \$3,354 invoice to CTIA dated 1/31/93 is for services which you agreed to provide free of charge in exchange for CTIA's review of the C2+ equipment. You invited us to thoroughly test and attempt to corrupt your device as part of our review process. All equipment was returned to you on 11/3/92.

I appreciate the cooperation you were able to afford us in our review of your equipment and hope the invoice was sent in error.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Eric Hill", is written over a horizontal line.

Eric Hill
Director of Industry Security

Cellular Telecommunications Industry Association

1133 21st St. N.W., Third Floor, Washington, D.C. 20036 • (202) 785-0081 • FAX (202) 785-0721



recycled paper

C-TWO-PLUS-TECHNOLOGY

3174 Mobile Highway - Montgomery, AL 36108 - Phone [205] 264-0264 - FAX 264-7190

March 2, 1993

VIA FAX (202) 785-0721

Mr. Eric Hill, Director of Industry Security
C.T.I.A.
1133 21st St. N.W., Third Floor
Washington, D.C. 20036

Dear Mr. Hill:

We received your letter today concerning our invoice

To clarify the situation, YOU requested to test a device for the specific purpose of "furthering your understanding of how our product relates to individuals using it for fraud", and we agreed to furnish one ONLY for this purpose. We provided the necessary information and materials for you to perform a normal emulation and did NOT give you permission to deliberately attempt to corrupt the device but ONLY to prove conclusively, (and which your tests confirmed), that our device could not be used by unauthorized persons to commit fraud.

At no time did we consent to your using the device for ANY purposes other than that stated. We most emphatically did NOT give you permission to damage the Device or the phone. There is no way that the condition in which you returned the items could have occurred except through deliberate attempts to destroy the Device and phone.

On at least three occasions we requested a copy of your test procedures and their results. We asked four specific questions:

- (1) Were you able to properly emulate the primary phone with the information (loading codes) that we gave you?
- (2) Were you able to load any other numbers into the NEPD and successfully emulate any other numbers?
- (3) Can an unauthorized person use our NEPD to emulate, clone, or alter an ESN without C2+ supplying the specific emulation codes?
- (4) We should be advised timely that if you have knowledge of ANY individuals using our Device for fraud (theft of services), who they are, when it happened, and under what conditions the fraud occurred.

By FAX 3/3
mailed 3/3

2:56 PM

COPY

ERIC HILL, CTIA

Page 2

After three (3) written requests, you finally responded with an answer to the first question only, which was obvious. Since you decline to answer the other three, we must therefore conclude that the answers to these three are all negative.

If this conclusion is not correct, I assume that you will respond to these specific questions with appropriate explanations.

Since the damage was outside of your requested purpose, we feel that these charges are in order and expect payment to be forthcoming.

Very truly yours,

C TWO PLUS TECHNOLOGY



Stuart P. Graydon
President

SFG/me

COPY

Exhibit 2

Set Yourself Free With FlexPhone: The Flexible Choice in Cellular Service

FlexPhone is a new service from Cellular One that lets you direct calls on your cellular number to any one of up to 3 cellular phones. FlexPhone is not an extension phone nor will it allow two people to use the same number. Designed to make staying in touch easier, FlexPhone is ideal for someone already enjoying the hands-free convenience of an installed car phone, but would like a portable to use outside the car. The following information will help you decide if FlexPhone service is right for you:

How Does FlexPhone Work?

Once you have decided whether one or two additional phones will compliment your lifestyle, call Cellular One or an Authorized Dealer to initiate FlexPhone. After activation, you decide which phone to receive calls on and simply turn the others "OFF". When a caller dials your number, the phone that is "ON" will ring. The FlexPhone feature will not function properly if both phones are "ON". Now, your calls can follow you from car, to meetings, on errands or nearly anywhere else.

What About Roaming?

When you start your FlexPhone service, you'll designate the phone you plan to use outside the Baltimore-Washington coverage area as "Primary" and the other(s) as "Secondary". That's it—your cellular service is ready to travel with you on your "Primary" phone. You cannot use your "Secondary" phones to roam unless you first redesignate your FlexPhone service with Customer Care. (There's no charge for redesignation. May take up to 48 hours to complete.)

Can Two Phones Sharing One Number Call Each Other?

No, since only one phone will operate at a time, you can't use FlexPhone to call between phones sharing the same number. To accomodate this, you would need to use the full value of two Cellular One phone numbers.

Two Ways to Start Enjoying FlexPhone

FlexPhone service is available for Cellular One customers that want to operate two or three cellular phones with the same cellular number. The following FlexPhone pricing is effective for customers using any Cellular One rate plans in addition to their current rate plan monthly fee:

- **Two Phone Service**

Add one extra phone to your Cellular One number for \$17.95 per month.

- **Three Phone Service**

Add two extra phones to your Cellular One number for \$29.95 per month.

(Additional fees for activation of second and/or third phones are not required. Up to 48 hours may be required for FlexPhone activation. Regular air-time charges and applicable sales taxes apply. All calls are billed to one number on the same bill. Detailed billing will not distinguish which phone made a call.)

Ask Your Cellular One Representative for Details

To learn more about FlexPhone or about our commitment to providing the best products, service and value available, ask your local Cellular One dealer or call *611 (free from your cellular phone) or 1-800-CELL-ONE.

The Works On How 2 Phones/1 Number Service Works.

Terms And Conditions

1) To take advantage of this new service, simply sign a 12-month Service Agreement for any existing or additional line (\$200 cancellation fee).

2) 2 Phones/1 Number service costs \$39.00 per month in addition to monthly access and airtime charges.

3a) If you're a current BellSouth Mobility customer with two existing cellular numbers, the cost to activate the 2 Phones/1 Number service will be \$30.00 (one-time charge).

3b) If you're a current BellSouth Mobility customer with one existing cellular number or a new BellSouth Mobility customer, you'll be charged a \$40.00 activation fee (one-time charge).

4) 2 Phones/1 Number service is designed to be used

by one person. If two people share one cellular number, situations could arise in which incoming calls could reach the wrong party or even be unanswerable.

5) Only one phone can be turned on at any one time. If both phones are left on, you may not be able to answer your incoming calls.

6) One phone must be designated as the primary phone, and only that phone can be used for roaming. Switching your primary phone designation is easily done by calling Customer Service and paying a \$30.00 charge.

7) If you have a horn alert on your vehicle, you'll need to disengage the alert when you have your portable phone on.

BMI does not assume and shall have no liability under this Agreement for failure to provide or delay in providing service for the Equipment due directly or indirectly to causes beyond the control of BMI, including, but not restricted to, acts of God, acts of the FCC, acts of public enemies, acts of the United States, any State, Territory of the United States, or any political subdivision of the foregoing, or the District of Columbia, acts or failures to act by the Customer, its agents, employees, or subcontractors, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather conditions, or defaults of BMI subcontractors due to any such causes.

Customer shall indemnify, protect and hold harmless BMI and its officers, employees and agents from and against any and all claims, actions, proceedings, losses, damages or liabilities (including without limitation attorneys' fees) arising in any way in connection with this agreement and the Equipment, including without limitation, manufacture of Equipment, its selection, purchase, delivery, possession, use, operation or return and the recovery of claims under insurance policies thereon. This indemnification shall survive the termination of this Agreement.



To be completed by your BellSouth Mobility representative. Please keep this brochure for your records.

ESN: PRIMARY PHONE (USED WHEN ROAMING) _____
 DESCRIPTION _____
 ESN: SECONDARY PHONE (NOT USED WHEN ROAMING) _____
 DESCRIPTION _____
 CELLULAR NUMBER (_____) _____
 RATE PLAN _____

Introducing A Feature Never Before Shared By Two Cellular Phones.

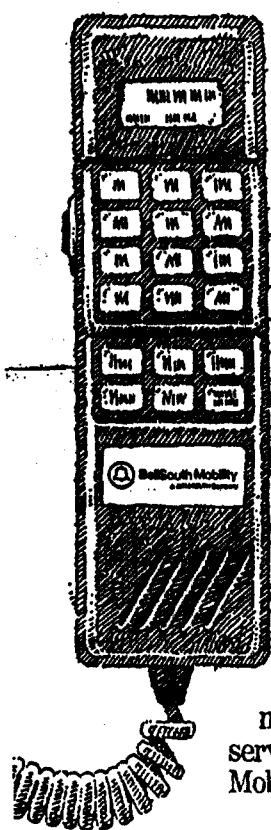


BellSouth Mobility

A BELLSOUTH Company

One Number.

Our New 2 Phones/1 Number™ Service Lets People Call Either Of Your Cellular Phones With Just One Number.



It's commonly known that cellular phones do have much in common. But never before have they shared this singularly exclusive item.

2 Phones/1 Number™ service.

Which means people can reach you at either your mobile or portable cellular phone by dialing just one cellular number.

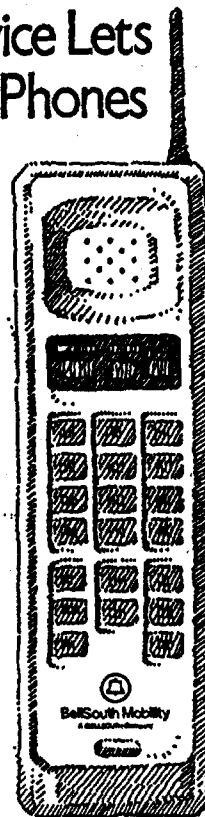
No other cellular company makes it so easy to be so accessible. And also, to be so productive.

The bottom line is, calling you is much easier. For your clients, business associates, friends and family. Because they have just one number to call.

Suddenly, you're more available. You're easier to find. You're staying in touch and on top.

And to make matters even easier, you receive just one bill for your two phones.

So talk about our new 2 Phones/1 Number™ service with your BellSouth Mobility representative today.



BellSouth Mobility
A Bellsouth Company

Phones featured by Motorola.

To be completed by your BellSouth Mobility representative at time of activation.

Customer acknowledges that he/she has read and understands the terms and conditions of this program set forth on the reverse side of this brochure and agrees to be bound by them.

BELLSOUTH MOBILITY INC

AUTHORIZED USER

NAME _____

NAME _____

TITLE _____

TITLE _____

E#/AGENT CODE _____

SOCIAL SECURITY # _____

SIGNATURE _____

SIGNATURE _____

DATE _____

DATE _____